

select group of users in a non-production/non-mission critical capacity, and are often referred to as beta tests. Partial deployments integrate designs into production environments, but on a limited scale. Partial deployments are fully independent entities that can be replicated to create a full deployment. Partial deployments allow for the design in its entirety to be implemented on a small scale (i.e. - a single office or within a small group of users) that allows redundant tasks to be performed in stages to accommodate resource and operational requirements. Full deployments integrate designs into production environments comprehensively, thus allowing for the completion of a start-to-finish solution.

- **Turnover Phase**

The information contained in this section of the proposal is intended to provide data on each of the Services, identify related tasks and specifically describe deliverables associated with each Service's tasks. Throughout this process, Net56 will work with members of the District team.

SERVICE DELIVERY

This section of the SOW provides information concerning the assumptions and customer responsibilities for service delivery, the engagement timetable, travel, the contractual framework, investment and disclaimers.

ASSUMPTIONS AND CUSTOMER RESPONSIBILITIES FOR SERVICE DELIVERY

The following list identifies and describes the assumptions and customer responsibilities linked with the delivery tasks associated with this engagement.

- District will provide all available documentation, as well as essential subject matter experts to obtain all network infrastructure information needed to complete the work outlined.
- District will assign the appropriate personnel (including system administration personnel, subject matter experts, and technical support personnel) to work with Net56, and such personnel shall use reasonable efforts to assist and cooperate with Net56.
- District will make all necessary facilities, hardware and software available to Net56 at the commencement of the project.
- Net56's recommendations for hardware and software will be based on our experience and the software vendor's recommendations.
- A contact person for both the District and Net56 will be identified.
- Net56 will complete the work described through a combination of work performed on-site at District facilities and work performed at Net56 facilities.

ENGAGEMENT TIMETABLE

This engagement is estimated to start one to four weeks after this SOW has been signed and received by Net56.

TERM

Commencing on the Start Date of March 1, 2005 with an End Date of February 28, 2010, the "Term" of this Agreement will be for a period of (60) months.

INVESTMENT/FEEES

The standard fee for the work associated with all services included in this SOW is as indicated below. As this is a robust solution in both hardware/software and services, all fees for such offering are fixed for the term of the offering.

Monthly Service Fee

The Monthly Service Fee \$29,095.00 per month for the lease of equipment; district internet access; as well as the implementation and integration of the Solution, all Monitoring, Maintenance, Management and Security services as outlined.

- Monthly Priority 1, E-Rate Reimbursement: \$15,300.00 (17,000.00 of 29,095.00 meets P1 * 90%)
- Monthly Priority 2, E-Rate Reimbursement: \$13,795.00 (Balance of Net56 Fee's meets P2)

Annual Software License Fee (Renal annually)

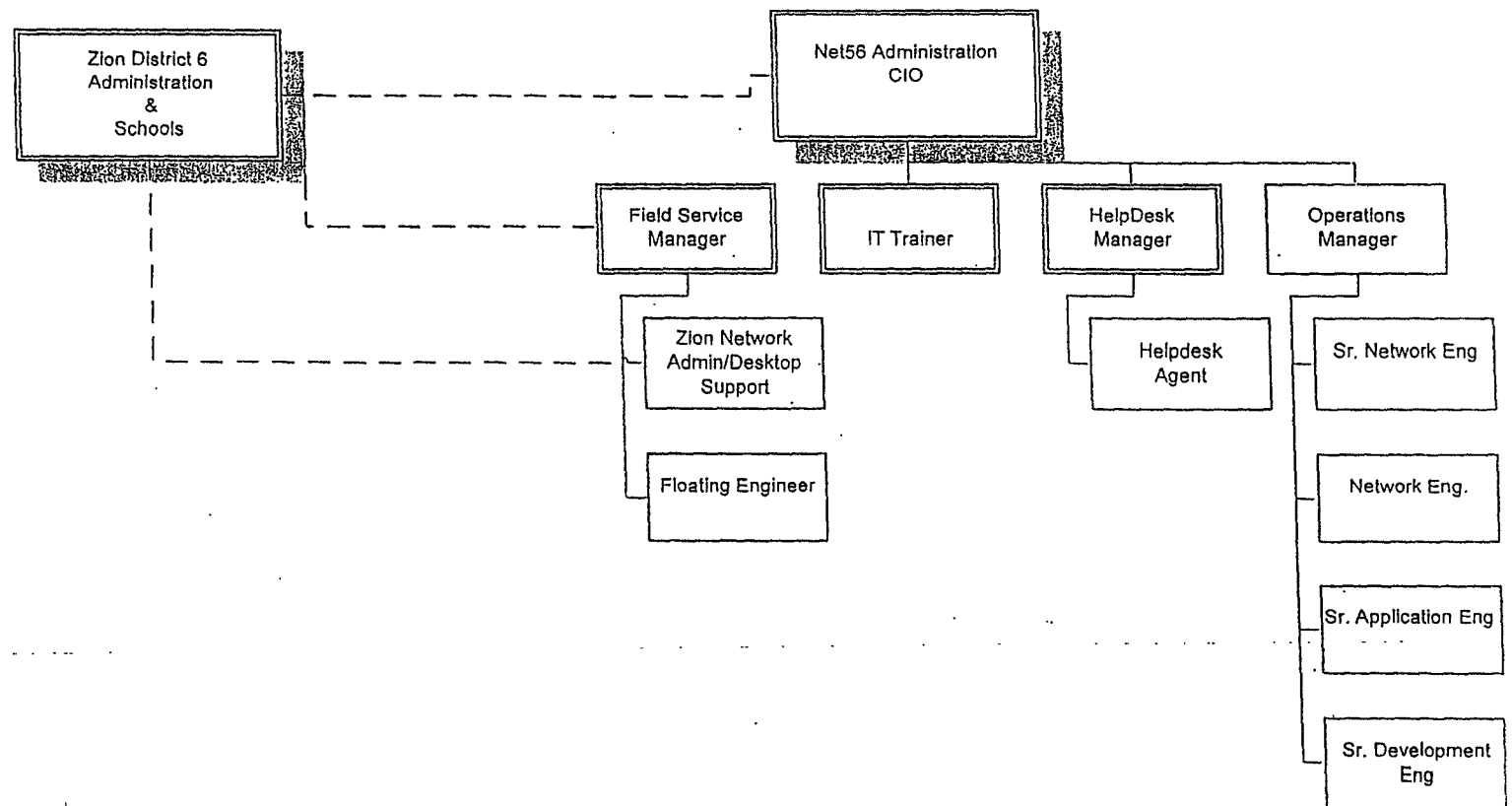
- Server License: \$9,000.00 (OS, Backup, Antivirus...)
- Microsoft School agreement 1000 computers: \$42,000.00
- Remote Access 950 users: \$5,225.00
- Annual Priority 2, E-Rate Reimbursement: \$14,353.00 (15000.00 Network OS; 950.00 E-Mail * 90% meets P2)

See Appendix III for 5 Plan comparison.

DISCLAIMERS

This SOW is not intended to cover any additional services accept as detailed herein.

Zion School District 6



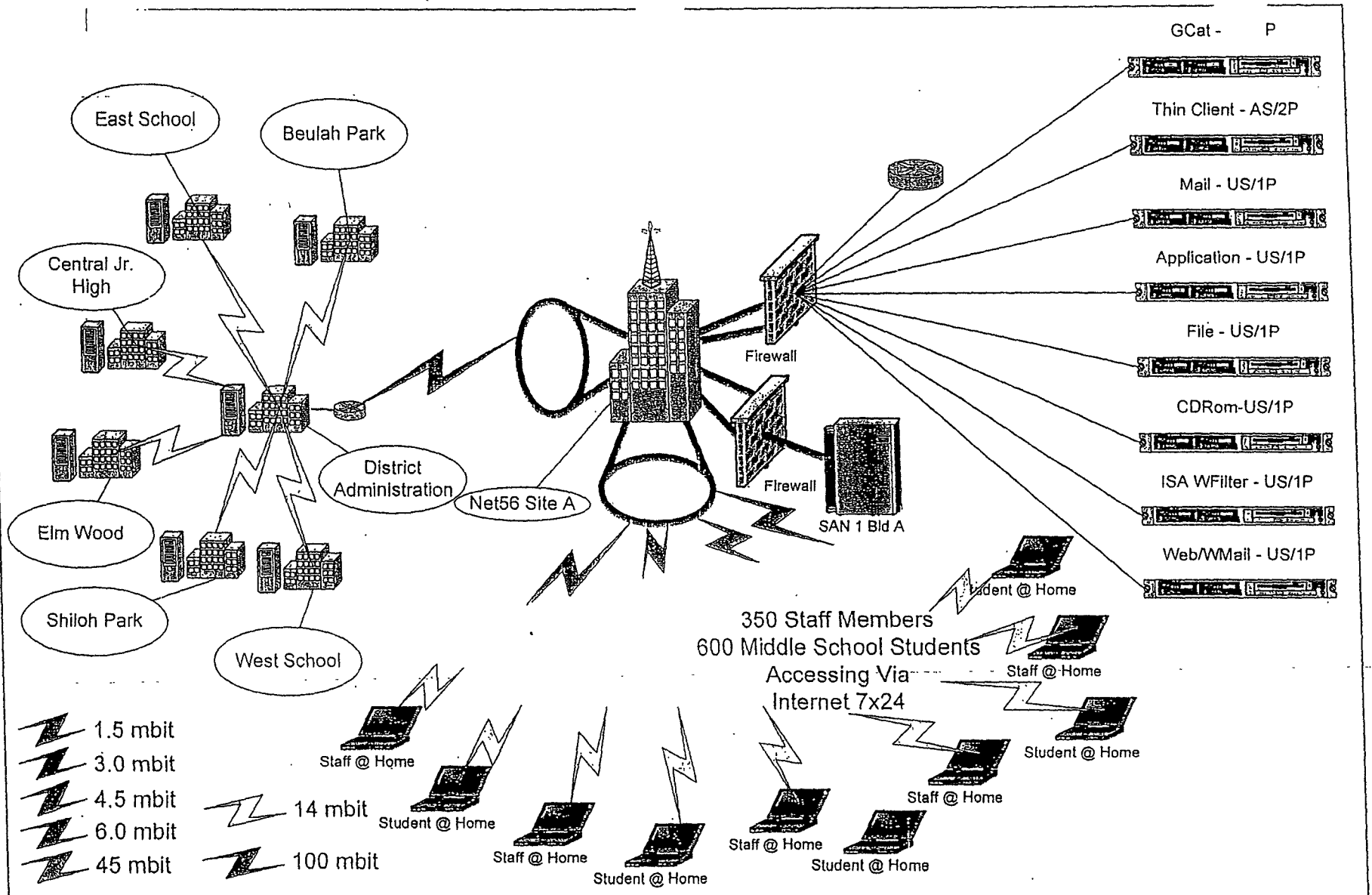
847-934-8100

Copyright (C) 1998-01 Net56 Inc.

Date:

01/18/05

Zion District 6



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Copyright (C) Net56 Inc.

Z:\

Date: 01/18/05

Zion School District 6

SIZE

FSCM NO

DWG NAME

Zion School District 6.vsd

REV

SCALE

1" = 1'-0"

SHEET

1 OF 1



- Staff w/ yearly 5% Increase
- No Server Upgrades
- No WAN/LAN upgrade
- Update Software Lic
- 3% COLA Factor
- P1 E-Rate
- Wan Connection
- P2 E-Rate
- Network OS Software
- E-Mail Software Lic
- Lack of Vision

Current Environment	2006/2005	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Salary (Director of IT; Network Administrator, 2 Asst.)	\$ 245,700.00	\$ 264,127.50	\$ 283,937.06	\$ 305,232.34	\$ 328,124.77	\$ 1,427,121.67
Professional & Technical Serv.	\$ 10,000.00	\$ 10,300.00	\$ 10,809.00	\$ 10,927.27	\$ 11,255.09	\$ 53,091.36
Repair & Maintenance Service & General Supplies	\$ 11,000.00	\$ 11,330.00	\$ 11,669.90	\$ 12,020.00	\$ 12,380.60	\$ 58,400.49
Computer Software	\$ 75,000.00	\$ 77,250.00	\$ 79,567.50	\$ 81,954.53	\$ 84,413.16	\$ 398,185.19
Equipment (Dell Lease)	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00			\$ 375,000.00
WAN	\$ 22,140.00	\$ 22,140.00	\$ 22,140.00	\$ 22,140.00	\$ 22,140.00	\$ 110,700.00
Current Environment Total	\$ 488,840.00	\$ 510,147.50	\$ 532,923.46	\$ 432,274.13	\$ 458,313.61	\$ 2,422,498.71
Grant	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 375,000.00
Less P1 E-Rate Reimbursment	\$ 19,926.00	\$ 19,926.00	\$ 19,926.00	\$ 19,926.00	\$ 19,926.00	\$ 99,630.00
Total District Cost (P1 Reimbursment Only)	\$ 393,914.00	\$ 415,221.50	\$ 437,997.46	\$ 337,348.13	\$ 363,387.61	\$ 1,947,868.71
Less P2 E-Rate Reimbursment	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 4,500.00
Total District Cost (P1&P2 Reimbursment)	\$ 393,014.00	\$ 414,321.50	\$ 437,097.46	\$ 336,448.13	\$ 362,487.61	\$ 1,943,368.71

- Staff w/ yearly 5% Increase
- Server Upgrades 2003
- 5 Year LAN upgrade to 100 Mb.
- 3% COLA Factor
- WAN upgrade to 14 Mb between Buildings, 6 Mb to Internet
- P1 E-Rate
- Wan Connection
- P2 E-Rate
- Network OS Software
- E-Mail Software Lic
- Vision becomes stall

New WAN/Outsourced Staff Environment	2006/2005	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Salary (Director of IT; Network Administrator, 2 Asst.)	\$ 245,700.00	\$ 264,127.50	\$ 283,937.06	\$ 305,232.34	\$ 328,124.77	\$ 1,427,121.67
Professional & Technical Serv.	\$ 10,000.00	\$ 10,300.00	\$ 10,809.00	\$ 10,927.27	\$ 11,255.09	\$ 53,091.36
Repair & Maintenance Service & General Supplies	\$ 11,000.00	\$ 11,330.00	\$ 11,669.90	\$ 12,020.00	\$ 12,380.60	\$ 58,400.49
Computer Software	\$ 75,000.00	\$ 77,250.00	\$ 79,567.50	\$ 81,954.53	\$ 84,413.16	\$ 398,185.19
Equipment (Dell Lease)	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00			\$ 375,000.00
WAN	\$ 252,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 580,000.00
Current Environment Total	\$ 718,700.00	\$ 570,007.50	\$ 592,783.46	\$ 492,134.13	\$ 518,173.61	\$ 2,891,798.71
Grant	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 375,000.00
Less P1 E-Rate Reimbursment	\$ 226,800.00	\$ 73,800.00	\$ 73,800.00	\$ 73,800.00	\$ 73,800.00	\$ 522,000.00
Total District Cost (P1 Reimbursment Only)	\$ 416,900.00	\$ 421,207.50	\$ 443,983.46	\$ 343,334.13	\$ 369,373.61	\$ 1,994,798.71
Less P2 E-Rate Reimbursment	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 4,500.00
Total District Cost (P1&P2 Reimbursment)	\$ 416,000.00	\$ 420,307.50	\$ 443,083.46	\$ 342,434.13	\$ 368,473.61	\$ 1,990,298.71



- Net56 Partnership
- New Server backend
- Update Software Lic
- Yr 3 Convert to MS Network
- 5% Annual service Fee Increase
- 3% COLA Factor
- WAN upgrade to 14 Mb between Buildings, 100Mb to Internet burstable
- 350 Staff Virtual Year 3
- Net56 On-Site
- Network/Desktop Support
- HIPPA Compliant
- Net56 Palatine Staff
- Help Desk, CIO, PM
- Training, Engineers
- P1 E-Rate
- WAN Connection
- WAN Services
- Email Services
- Internet Access
- Firewall Services
- P2 E-Rate
- Network OS Software
- E-Mail Software Lic
- WAN/LAN Support/Maint.
- Server Support/Maint.
- Technical Support
- Vision continues to Grow

Net56 WAN/Net56 Nov56 LE/VIP/56H/H	2006-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Net56 Fee	\$ 349,140.00	\$ 377,071.20	\$ 407,236.90	\$ 439,815.85	\$ 475,001.12	\$ 2,048,265.06
Professional & Technical Serv.	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee
Repair & Maintenance Service	\$ 11,000.00	\$ 11,330.00	\$ 11,669.90	\$ 12,020.00	\$ 12,380.60	\$ 58,400.49
Computer Software	\$ 85,000.00	\$ 87,550.00	\$ 90,176.50	\$ 135,000.00	\$ 139,050.00	\$ 536,776.50
Equipment (Dell Lease)	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00			\$ 375,000.00
WAN	\$ 252,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 580,000.00
Current Environment Total	\$ 822,140.00	\$ 682,951.20	\$ 716,083.30	\$ 688,835.84	\$ 708,431.71	\$ 3,598,442.05
Grant	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 375,000.00
Less P1 E-Rate Reimbursment	\$ 410,400.00	\$ 257,400.00	\$ 257,400.00	\$ 257,400.00	\$ 257,400.00	\$ 1,440,000.00
Total District Cost (P1 Reimbursment Only)	\$ 336,740.00	\$ 350,551.20	\$ 383,683.30	\$ 336,435.84	\$ 376,031.71	\$ 1,783,442.05
Less P2 E-Rate Reimbursment	\$ 136,926.00	\$ 162,064.08	\$ 189,213.21	\$ 218,534.26	\$ 250,201.00	\$ 966,938.55
Total District Cost (P1&P2 Reimbursment)	\$ 199,814.00	\$ 188,487.12	\$ 194,470.09	\$ 117,901.58	\$ 125,830.71	\$ 826,503.50



- Net56 Partnership
- Server Upgrades 2003
- Update Software Lic
- Convert to MS Network
- 5% Annual Service fee increase
- 3% COLA Factor
- WAN upgrade to 14 Mb between Buildings, 100Mb to Internet burstable
- 350 Staff Virtual Year 1
- Net56 On-Site
- Network/Desktop Support
- HIPPA Compliant
- Net56 Palatine Staff
- Help Desk, CIO, PM
- Training, Engineers
- P1 E-Rate
- WAN Connection
- WAN Services
- Email Services
- Internet Access
- Firewall Services
- P2 E-Rate
- Network OS Software
- E-Mail Software Lic
- WAN/LAN Support/Maint.
- Server Support/Maint.
- Technical Support
- Vision continues to Grow

Net56 WAN/Net56 MISC/Service/Other	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
Net56 Fee	\$ 349,140.00	\$ 377,071.20	\$ 407,236.90	\$ 439,815.85	\$ 475,001.12	\$ 2,048,265.06	
Professional & Technical Serv.	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee	Net56 Fee	
Repair & Maintenance Service	\$ 11,000.00	\$ 11,330.00	\$ 11,669.90	\$ 12,020.00	\$ 12,380.60	\$ 58,400.49	
Computer Software	\$ 132,000.00	\$ 135,960.00	\$ 140,038.80	\$ 144,239.96	\$ 148,567.16	\$ 700,805.93	
Equipment (Dell Lease)	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00			\$ 375,000.00	
WAN	\$ 252,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 82,000.00	\$ 580,000.00	
Current Environment Total	\$ 869,140.00	\$ 731,361.20	\$ 765,945.60	\$ 678,075.81	\$ 717,948.88	\$ 3,762,471.48	
Grant	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 375,000.00	
Less P1 E-Rate Reimbursement	\$ 410,400.00	\$ 257,400.00	\$ 257,400.00	\$ 257,400.00	\$ 257,400.00	\$ 1,440,000.00	
Total District Cost (P1 Reimbursement Only)	\$ 383,740.00	\$ 398,961.20	\$ 433,545.60	\$ 345,675.81	\$ 385,548.88	\$ 2,322,471.48	
Less P2 E-Rate Reimbursement	\$ 144,981.00	\$ 170,119.08	\$ 197,268.21	\$ 226,589.26	\$ 258,266.00	\$ 997,213.55	
Total District Cost (P1&P2 Reimbursement)	\$ 238,759.00	\$ 228,842.12	\$ 236,277.39	\$ 119,086.55	\$ 127,292.87	\$ 2,322,471.48	

(70)

**Board Meeting
Board of Education School District No. 6
Lake County, Illinois
Held at Lakeview School
January 24, 2005 7:00 p.m.**

President Davis called the meeting to order at Lakeview School at 7:06 p.m. Roll call: Flammini, Taylor, Baker, Rogers, Davis. Absent: Gordon. Member Bennett arrived at 7:11 p.m. Also present at the meeting were Superintendent Collins, Assistant Superintendent Lamping, Assistant Superintendent Byrd, and Assistant Superintendent Robinson. President Davis led in the Pledge of Allegiance, and Superintendent Collins led the invocation.

Approve Agenda

President Davis stated that the Audit Report being presented by David Kadish from Evoy, Kamschulte, Jacobs & Co., will be moved from Item 5 under XII. New Business to Item 2 under VII. Financial Report. To be added to the agenda, Dr. Mary Lamping would present a report on SEDOL Take Backs as Item No. 2 under X. Superintendent's Report. Motion was made by Flammini, seconded by Rogers to approve the agenda as amended. Roll call showed: Ayes: Flammini, Rogers, Baker, Taylor, Davis. Nays: None. Motion carried.

Recognition of Visitors

President Davis asked if anyone was present who wanted to address the Board. Gail Williams, Chairperson of Child Evangelism Outreach of Northeast Illinois, addressed the Board regarding the fees being charged for building use, on behalf of Good News Clubs, a not-for-profit organization, that has been meeting in the Zion schools. She asked that the Board reconsider charging the \$25.00 per hour fee. Also addressing the Board on behalf of Good News Clubs was Eleanor Seegren, former chair, and Clarence Williams, husband of Gail Williams.

President Davis asked if there was anyone else who wished to address the Board. There being none, President Davis moved on to approval of the Consent Agenda.

Approval of Consent Agenda

President Davis stated the following recommendations are to be approved under the Consensus Agenda. The Consensus Agenda involves one roll call vote for all recommendations. They include the following: The Board Vice President confirmed his review of the invoices and stated they were ready to be paid. The Consensus Agenda includes minutes from the Special Meeting Executive Session held on December 11, 2004, and Regular and Executive Session Minutes from December 13, 2004. It also includes personnel.

It is the Superintendent's recommendation to accept the following resignations: Edith Thomas, Oven Operator at West School, effective December 18, 2004; Kimberly Ellis, Bilingual/ELL Assistant at West School, effective January 21, 2005; and Marcia Taylor, Playground Assistant at Beulah Park School, effective January 27, 2005.

It is the Superintendent's recommendation to approve employment of the following personnel replacements for the positions and dates of employment as indicated, subject to successful completion of the medical examination and forms, as required by Section 24-5 of the *School Code*, successful completion of a criminal background investigation as required by Section 1-21.9 of the *School Code*, a Child Abuse Registry check, and submission of all forms, documents and certifications required by law and/or requested by the District: Courtney M. Bolibrzuch, Resource Associate at both Elmwood and West Schools, replacing Debbie Murphy, 7 hours per day, at a rate of \$10.00 per hour; and Melissa Fleming, Instructional Aide at Central Junior High School, replacing Linda Lanigan, 7 hours per day, at a rate of \$10.00 per hour.

President Davis asked for a motion to approve the Consent Agenda as read. Motion was made by Rogers, seconded by Flammini, to accept the Consent Agenda as presented. Roll call: Ayes: Flammini, Rogers, Baker, Taylor, Bennett, Davis. Nays: None. Motion carried.



Financial Report

President Davis asked if there were any questions or comments regarding the Financial Highlights Report. Assistant Superintendent Robinson briefly commented on the financials. He introduced David Kadish, or Evoy, Kamschulte, Jacobs & Co., who presented the Audit Report.

President's Report

President Davis presented to the Board the following items: February Board Planning Calendar, p. 8.1.1. She discussed the Targeting Student Learning meeting dates. There was consensus that the Board would attend the meeting in Crystal Lake on February 23, 2005, at the Holiday Inn at 6:00 p.m. President Davis polled the Board as to who would be attending the IASB Legislative Breakfast on Saturday, February 5, 2005. Connie Collins and Rich Baker are attending.

Superintendent's Report

Dr. Collins noted items for the Board's information in the packet. She introduced Dr. Mary Lamping, who discussed the SEDOL Take Backs, and the implications of taking those students back into the District, both financially, and in the interest of the students. There was consensus from the Board that the students would remain in their current placement at SEDOL. Dr. Collins then introduced Joseph Kent, principal of East School, who presented, along with several staff, an overall update on the progress being made at East Elementary School.

New Business

It is the Superintendent's recommendation to approve the new Zion School District 6 Mission/Vision/Belief Statements, as rewritten by the Board and administration at the Board/Administration Retreat held on December 11, 2004. They are:

Mission Statement: Excellence Without Exception

Vision Statement: In partnership with families and community, Zion Elementary School District 6 strives for educational excellence through:

Teaching
Empowering
Advocating
Motivating

Belief Statements:

- Every person deserves respect.
- Every student will learn.
- High expectations promote achievement.
- Enthusiastic, motivated, and highly qualified staff is fundamental to a quality educational program.
- An educated community is crucial to sustain a productive, competitive, and democratic society.
- Public education is the shared responsibility of the student, school, home, and community.
- Schools are accountable to the entire community.
- Progress requires shared vision, leadership, and communication.

Motion was made by Flammini, seconded by Bennett to approve the new Mission/Vision/Belief statements. Roll call: Ayes: Flammini, Bennett, Baker, Taylor, Rogers, Davis. Nays: None.
Motion carried.

Minutes of the Regular Meeting of the Board of Education

January 24, 2005

Page 3

Don Robinson presented a report on the District's telephone system and wide area communications, and technology outsourcing, and e-rate as related to incorporating new systems for the District. He reviewed the cost reduction to the District as e-rate is utilized. Mr. Robinson discussed the companies who had presented proposals. Consensus was reached by the Board for Don to go ahead with the e-rate filing, which is due in February.

It is the recommendation of the Superintendent to approve the FY04 Audit, as presented by David Kadish of Evoy, Kamschultz, Jacobs, & Co. Motion was made by Bennett, seconded by Flammini. Roll call: Ayes: Bennett, Flammini, Baker, Taylor, Rogers, Davis. Nays: None. Motion carried.

Communications

President Davis directed the Board's attention to the school newsletters, and other items of information contained in their packets.

Executive Session

President Davis asked for a motion to go into Executive Session for the purpose of appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public to determine its validity and for the purpose of Student Disciplinary Cases. Motion was made by Rogers, seconded by Flammini. Roll call: Ayes: Rogers, Flammini, Baker, Bennett, Taylor, Davis. Nays: None. Motion carried and the Board entered into Executive Session at 9:30 p.m.

After discussion, President Davis asked for a motion to return to Open Session. Motion was made by Flammini, seconded by Bennett. Roll call: Ayes: Flammini, Bennett, Baker, Rogers, Taylor, Davis. Nays: None. Motion carried, and the Board returned to Open Session at 10:16 p.m.

Other Business

It is the Superintendent's recommendation to approve Resolution for Dismissal of Educational Support Personnel Employee, Kenya Nicholson, for Reasons Other Than Reduction-in-Force: effective immediately upon approval of the resolution. Motion was made by Flammini, seconded by Rogers. Roll call: Ayes: Flammini, Rogers, Baker, Taylor, Bennett, Davis. Nays: None. Motion carried.

It is the Superintendent's recommendation to approve Resolution for Dismissal of Educational Support Personnel Employee, Janice Hays, for Reasons Other Than Reduction-in-Force: effective immediately upon approval of the resolution. Motion was made by Rogers, seconded by Flammini. Roll Call: Ayes: Rogers, Flammini, Baker, Taylor, Bennett, Davis. Nays: None. Motion carried.

Adjournment

There being no further business to come before the Board at this time, motion was made by Rogers, seconded by Flammini, to adjourn. Roll Call: Ayes: Rogers, Flammini, Baker, Bennett, Taylor, Davis. Nays: None. Motion carried and the meeting was adjourned at 10:29 p.m.

Dated: 1/21/05

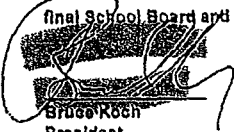

 PRESIDENT

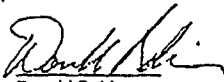

 SECRETARY



Zion School District 6 Internet Access Quote

Zion Elementary School District 6 selects Net56, Inc (SPIN # 143026679) as vender of choice to provide School District 6 the outlined services below for School Year beginning July 1, 2005, Ending June 30, 2006. The below agreed upon services are subject to final School Board and budget approval.


Bruce Koch
President
Net56, Inc.
2/15/2005


Donald Robinson
Asst. Superintendent of Business
Zion Elementary School District 6
2/15/2005

WAN/Internet Access

WAN/Internet Access Monthly Fee (7 Buildings/500 Classrooms/1000 Computers)

Includes: 7 Cisco 2600 series Routers @ 295.00 ea | 1 DNS/DHCP Servers for 7 building @ 562.00 ea | 4.5Mbit Internet Access burstable to 100Mbit @ 1000.00
 \$ 7,000.00 Monthly Fee 3934 | 1001.00
 \$ 7,000.00 Amount E-Ratable \$ 7,000.00
 \$ (6,300.00) E-rate @ 90%
 Net Monthly Fee

\$ 700.00

Firewall

Firewall Monthly Fee (7 Buildings/500 Classrooms/1000 Computers)

Includes: Cisco Firewall

Firewall Services \$ 2,500.00 Monthly Fee \$ 2,500.00
 \$ 2,500.00 Amount E-Ratable \$ 2,500.00
 \$ (2,250.00) E-rate @ 90%
 Net Monthly Fee

\$ 250.00

Web Hosting

Web Hosting Service for District 6

Web Hosting Services \$ 2,500.00 Monthly Fee \$ 2,500.00
 \$ 2,500.00 Amount E-Ratable \$ 2,500.00
 \$ (2,250.00) E-rate @ 90%
 Net Monthly Fee

\$ 250.00

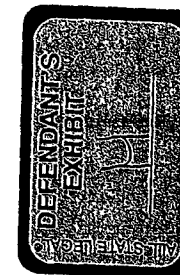
Email Local and Web

Email Service for 950 users (2 Email Servers: 1 Secure zoned server @ 2500.00; 1DMZ zoned server @ 2,500.00)

Hosted Application \$ 5,000.00 Monthly Fee \$ 5,000.00
 \$ 5,000.00 Amount E-Ratable \$ 5,000.00
 \$ (4,500.00) E-rate @ 90%
 Net Monthly Fee

\$ 500.00

	Fee	E-Rate %	Balance
E-Rate Monthly Fees	\$17,000.00	\$ 15,300.00	\$1,700.00
			\$ 204,000.00



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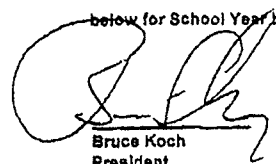


Zion School District 6
Internet Access Quote

2/15/2006

000170

Zion Elementary School District 6 selects Net56, Inc (SPIN # 143026679) as vendor of choice to provide School District 6 the outlined services below for School Year Beginning July 1, 2006, Ending June 30, 2007.


 Bruce Koch
 President
 Net56, Inc.
 2/15/2006

Richard Terhune
 Asst. Superintendent of Business
 Zion Elementary School District 6
 2/15/2006

WAN/Internet Access

WAN/Internet Access Monthly Fee (7 Buildings/500 Classrooms/1000 Computers)
 Includes: 7 Cisco 2800 series Routers @ 295.00 ea ; 1 DNS/DHCP Servers for 7 building @ 562.00 ea ; 4.5Mbit Internet Access burstable to 100Mbit @ 1000.00
 \$ 7,000.00 Monthly Fee
 \$ 7,000.00 Amount E-Ratable
 \$ (5,810.00) E-rate @ 83%

Firewall

Firewall Monthly Fee (7 Buildings/500 Classrooms/1000 Computers)
 Includes: Cisco Firewall
 Firewall Services \$ 2,500.00 Monthly Fee
 \$ 2,500.00 Amount E-Ratable
 \$ (2,075.00) E-rate @ 83%

Web Hosting

Web Hosting Service for District 6 (2 Web Servers: 1 Secure zoned server @ 2500.00; 1DMZ zoned server @ 2,500.00)
 Web Hosting Services \$ 5,000.00 Monthly Fee
 \$ 5,000.00 Amount E-Ratable
 \$ (4,150.00) E-rate @ 83%

Email Local and Web

Email Service for 960 users
 Hosted Application \$ 5,000.00 Monthly Fee
 \$ 5,000.00 Amount E-Ratable
 \$ (4,150.00) E-rate @ 83%

Fee	E-Rate %	Balance
E-Rate Monthly Fees \$19,500.00	\$ 16,185.00	\$ 3,315.00
		\$48,555.00

Zion Elementary District 6 Internet Access Quote



000171

Zion Elementary District 6 selects Net56, Inc (SPIN # 143025679) as vendor of choice to provide the District the outlined services below for School Year beginning July 1, 2007, Ending June 30, 2008. The below agreed upon services are subject to final School Board and budget approval.

Bruce Koch
Bruce Koch
President
Net56, Inc.
1/29/2007

Richard Terhune
Richard Terhune
Assistant Superintendent of Business Services
Zion Elementary District 6
1/29/2007

Number of Buildings	Number of Class Rooms	Number of Computers
7	365	1000

Internet Access

Internet Access Monthly Fee (7 Buildings/365 Classrooms/ 1000 Computers)

Includes: 100 MB Curt between NET56 & Zion Elementary District 6 w/ Gurantee 100 MB Internet access.

\$	10,000.00	Monthly Fee
\$	10,000.00	Amount E-Ratable
\$	(8,200.00)	Erate @ 82.00%

WAN Service for Internet Access

WAN Services (7 Buildings/365 Classrooms/ 1000 Computers)

Includes: 7 Cisco 3560 series layer 3, Gb Switch/Routers for 7 buildings; 7 DNS/DHCP Servers for 13 building

\$	7,585.00	Monthly Fee
\$	7,585.00	Amount E-Ratable
\$	(6,203.30)	Erate @ 82.00%

Firewall

Firewall Monthly Fee (7 Buildings/365 Classrooms/ 1000 Computers)

Includes: Cisco Firewall Service for total district.

Firewall Services	\$	5,485.00	Monthly Fee
	\$	5,485.00	Amount E-Ratable
	\$	(4,481.30)	Erate @ 82.00%

Web Hosting Fee

Portal and Hosting Fee (2 Web Servers: 1 Secure zoned server and 1DMZ zoned server.)

Web Hosting Services	\$	2,500.00	Monthly Fee
	\$	2,500.00	Amount E-Ratable
	\$	(2,050.00)	Erate @ 82.00%

Email Local and Web

Email Service (2 Email Servers: 1 Secure zoned server and 1DMZ zoned server.)

Hosted Application	\$	2,500.00	Monthly Fee
	\$	2,500.00	Amount E-Ratable
	\$	(2,050.00)	Erate @ 82.00%

	Monthly Non Discounted Service Fee	USAC Monthly E-Rate Discount	District Monthly Contracted Fee
E-Rate Monthly Fees	\$ 28,030.00	\$ 22,384.50	\$ 5,645.50



1266 W. Northwest Hwy
Suite 740
Palatine, IL 60067

QUOTATION

Net56 Master Service Agreement (Form MSIM)
Quote Number: Z1 Date: 02/09/2005

Zion Elementary School District 6
2200 Bethesda Blvd
Zion, Illinois 60099
847-827-5455

Net56 is pleased to submit the following Quotation consisting of 20 pages. Customer expressly acknowledges and agrees that the overall substance of this Net56 Quotation is specific to Customer and confidential and proprietary to Net56; accordingly, Customer shall only disclose the contents of this Net56 Quotation with those of its representatives having a need to know, and Customer is expressly precluded from disclosing the contents of this Net56 Quotation to any third party individual/entity or as otherwise required by law, including but not limited to disclosures required under the Illinois Open Meetings Act and Freedom of Information Act. This quote expires 30 days from date of issue.

Service / Product Code	Description	Comments
N56 H/S N56 LL N56 SO	Hardware/Software Infrastructure/Implementation (Exhibit A); one (1) page. Lease Line Service Offering (Exhibit B); one (1) page. Service Offering (Exhibit C); one (1) page. Funding Documentation (Exhibit D); ten (10) pages.	

Customer Confirmation (Please Initial)

* Monthly Payment Program offering of \$30,830.12; Sixty (60) Month Term to be offered by Millennium Lending & Financial Services, Inc. pursuant to Exhibit D. RAO initial

The above Monthly Payment Amount excludes applicable taxes and are expressly subject to formal credit approval for Customer. Please be advised that Net56 IS NOT A FINANCIAL ENTITY. Net56 has established strong funding partnerships with reputable, industry-recognized, financial companies such as Millennium Lending & Financial Services, Academic Capital Group, Inc. and others that serve as Net56's partners in facilitating Net56's IT Solutions for Net56's Customers.

Facilitating Net56's Monthly Payment Program Offering and resulting Customer Financing requires cooperation on the part of both Net56 and Customer. In order for Net56 to secure for Customer the most favorable terms possible, Customer may be required to submit certain financial documentation. As a valued Net56 Customer, be assured that all provided financial documentation will be maintained in strict confidence and solely used to secure the most favorable terms possible from Net56's funding partners. Net56 operates in conjunction with and demands strict adherence to confidentiality agreements with each funding partner. Facilitating Customer Financing also requires the placement of certain Funding Documentation (reference Exhibit D); by selecting Net56's Monthly Payment Program Offering, Customer agrees to cooperate with Net56 and its funding partner in such placement.

By signing below as a principal of Customer, said principal: (1) authorizes Net56 and or its funding partner to obtain from a Customer Designee such credit information as may be required to credit approve Customer for Net56's Monthly Payment Program Offering; and (2) agrees that all such credit information regarding Customer's account, including personal credit of each individual principal /owner, may be reviewed by Net56, its assignee or a commercial credit bureau.

Net56, Incorporated ("Net56")

Is/

Print Name / Title:

Bruce L. Kark

Date:

2/24/05

Zion Elementary School District 6 ("Customer")

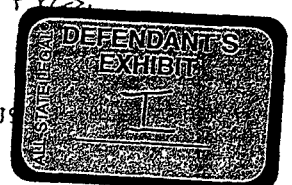
Is/

Print Name / Title:

Ruth A. Davis
Board Pres.

Date:

2/28/05



MASTER SERVICE AGREEMENT FORM (MS1M)

This Master Service Agreement ("Agreement") is made and entered into this 9th day of February, 2005 by and between Zion Elementary School District 6, 2200 Bethesda Blvd, Zion, Illinois 60099 (hereinafter "Company"), and Net56, Incorporated (hereinafter "Net56"), an Illinois Corporation.

WITNESSETH:

WHEREAS, Net56 represents that it has expertise in the area of IT and is ready, willing, and able to provide assistance to Company on the terms and conditions set forth herein; and

WHEREAS, Company, in reliance on Net56's representations, is willing to engage Net56 as an independent contractor, and not as an employee; on the terms and conditions set forth herein,

NOW THEREFORE, in considerations of the obligations herein made and undertaken, the parties, intending to be legally bound, covenant and agree as follow:

Section 1

DEFINITION OF TERMS

"IT" Information Technology

Section 2

SERVICES

- a.) Net56 shall provide services in the area of IT that are more fully described in Attachment(s)/Exhibit(s) attached hereto. Net56 shall render such services and deliver the required reports and other deliverables ("deliverables") in Attachment(s)/Exhibit(s) in accordance with the timetable and milestones, (if applicable) set forth in Attachment(s)/Exhibit(s). In the event Net56 anticipates at any time that it will not reach one or more milestones or complete one or more assignments within the prescribed timetable, Net56 shall immediately so inform Company by written notice, submit proposed revisions to the timetable and milestones that reflect Net56's best estimates of what realistically be achieved, and continue to work under original timetable and milestones until otherwise directed by Company. Net56 shall also prepare and submit such further reports of its performance and its progress as Company may reasonably request from time to time. The parties shall complete an agreed set of timetables and milestones for completion of the project within thirty days after execution of the Agreement. Net56 shall use its best efforts perform its obligations under the Agreement in accordance with the established timetables and milestones.
- b.) Net56 shall provide and make available to Company such resources as shall be necessary to perform the services called for by this Agreement.
- c.) Company shall within seven (7) days of receipt of each Deliverable/Services submitted to Company, unless otherwise agreed to in Attachment(s)/Exhibit(s), advise Net56 of Company's acceptance or rejection of such Deliverable/Service. Any rejection shall specify the nature and scope of the deficiencies in such Deliverable/Service. Net56 shall, upon receipt of such a notice of rejection, act diligently and no later than ten (10) business days from such notice correct such deficiencies. The failure of the Company to provide such a notice of rejection within such period shall constitute acceptance by Company of such Deliverable/Service.
- d.) All work shall be performed on or off Company's facilities unless otherwise mutually agreed and shall be performed in a workmanlike and professional manner by employees of Net56, having a level of skill in the area commensurate with requirements of the scope of work to be performed. Net56 shall make sure its employees at all times observe security and safety policies of Company.
- e.) Anything herein to the contrary notwithstanding, the parties hereby acknowledge and agree that Company shall have no right to control the manner, means, or method by which Net56 performs the services called for by this Agreement except if Net56's performance constitutes a violation of law. Rather, Company shall be entitled only to direct Net56 with respect to the elements of the services to be performed by Net56 and the results to be derived by Company, to inform Net56 as to where and when such services shall be performed, and to review and assess the performance of such services by Net56 for the limited purposes of assuring that such services have been performed and confirming that such results are satisfactory.

Section 3

GENERAL PROVISIONS

- a.) This Agreement together with all Exhibit(s), Appendices, or other Attachment(s), which are incorporated herein by reference, is the sole and entire Agreement between the parties relating to the subject matter hereof. This Agreement supersedes all prior understandings, agreements, and documentation relating to such subject matter. In the event of conflict between the provisions of the main body of the Agreement and any attached Exhibits, Appendices, or other Attachment(s) or other materials, the Exhibit, Appendices, or other Attachment(s) or other materials shall take precedence.
- b.) Nothing contained herein will be construed as creating any agency, partnership, joint venture or other form of joint enterprise between the parties.
- c.) This Agreement will be governed by the laws of the State of Illinois and subject to the jurisdiction of the courts of the State of Illinois.

Section 4

PAYMENTS

- a.) In consideration of the services performed by Net56, Company shall, pay Net56 (or its designated funding partner) the fees set forth in the Quotation attached hereto.
- b.) The Illinois Prompt Payment Act expressly applies.

Section 5

RIGHTS IN DATA

- a. All intellectual property rights in the programs, systems, data or material produced by Net56 in the performance of the services called for in this Agreement shall remain the property of Net56, provided, however, that in the event of a Substantial Default by Net56 (as defined below), Company shall be granted a nontransferable license, which shall be deemed fully paid, to make use of all Net56's intellectual property for the remainder of the term of this Agreement.
- b. All right, title and interest in and to any programs, systems, data, and materials furnished to Net56 by Company are and shall remain the property of the Company.

Section 6

WARRANTIES

- a.) Company warrants that it owns all right, title, and interest in and to any programs, systems, data, or materials furnished by Company to Net56 hereunder.
- b.) Net56 warrants that
 - a. Net56's performance of the services called for by this Agreement do not and shall not violate any applicable law, rule, or regulation; any contracts with third parties, or any third party rights in any patent, trademark, copyright, trade secret, or similar right; and
 - b. Net56 is the lawful owner or licensee of any software programs or other materials used by Net56 in the performance of the services called for in this Agreement and has all rights necessary to convey to Company the unencumbered ownership of Deliverables.

- c. Net56 warrants and represents that for all licensed third party software or other third party intellectual property utilized by Net56 hereunder, Net56 has provided either (i) that Company is an additional licensed user for such software or intellectual property, or (ii) that in the event of a Substantial Default by Net56, Company will acquire such license rights. At Company's request, Net56 shall provide satisfactory evidence of such actual or contingent license rights.
- d. Net56 warrants that during the term of this Agreement the systems provided by Net56 under this Agreement shall perform substantially in accordance with their documentation.

Section 7

LIMITATION OF LIABILITY

- a.) IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

Section 8

ASSIGNMENT

- a.) This Agreement may not be assigned by either party or by operation of law to any other person or entity without the express written approval of both parties. This Agreement may be assigned to a Successor Entity by either party or by operation of law without the written approval of both parties in the event that the Successor Entity succeeds to substantially all of the assets or business of either party. In such an event, the assigning party shall notify the other party immediately of any assignment of this Agreement and provide the other party an acknowledgement of assignment of this Agreement wherein the non-assigning party has the right to terminate this Agreement without penalty provided the non-assigning party can prove the Successor not to be compliant to standard business practices. Subject to the foregoing, this Agreement shall be binding on the successors and assigns of each party.

Section 9

CONFIDENTIALITY

CONFIDENTIAL INFORMATION AND MATERIALS

- a.) "Confidential Information" means any tangible or intangible information or material, which is proprietary to either party or designated as Confidential Information. Such Information shall be deemed Confidential Information whether or not owned or developed by either party and which the other party may obtain knowledge of through or as a result of the relationship established hereunder, access to each other's premises, or communications with the other party's employees or independent contractors.
- b.) Confidential Information includes, but is not limited to, information relating to the parties' software products and their features and modes of operation, trade secrets, know-how, inventions (whether or not patentable), programs, algorithms, schematics, testing procedures, software design and architecture, computer code, internal documentation, design and function specifications, problem reports, analysis and performance information, software documents and other technical, business, product, marketing and financial materials and documents and computer disks or tapes, whether machine or user-readable.
- c.) Confidential Information does not include information, technical data or know-how which (i) became known to the receiving party prior to disclosure of such information by the disclosing party; (ii) is or subsequently becomes publicly available without either party's breach of any obligation owed to the other party; (iii) is subsequently disclosed to the receiving party from a third-party source without an obligation of confidentiality to the disclosing party; (iv) is independently developed by the receiving party without reliance upon the disclosing party's Confidential Information.

RESTRICTIONS

- a.) Each party understands and acknowledges that Confidential Information has been developed or obtained by the other party by investment of significant time, effort and/or expense, and that such Confidential Information provides such party with a significant competitive advantage in its business.
- b.) All Confidential Information shall be used by the recipient solely for the purpose of exploring a business relationship with the disclosing party or performance of any agreements between the parties and for no other purposes. The furnishing of Confidential Information does not constitute the grant or waiver by either party of any of their respective proprietary interests, including without limitation, patents, trade secrets, copyrights or trademarks.
- c.) For a period of one (1) years following the date of its disclosure, each party shall take reasonable security precautions, at least as great as the precautions it takes to protect its own confidential information, to prevent the disclosure of any Confidential Information to any third party. Dissemination of Confidential Information shall be limited to only those employees or consultants of the receiving party as are necessary to perform the limited Purpose for which the Confidential Information was provided.
- d.) Each party agrees to not make copies of any software disclosed to each other except as is required solely for replacement of the original in the event the original becomes unusable. Neither party may make copies of any written materials or documents without the prior written consent of the other party.
- e.) Each party may use any software disclosed by the other party in machine-readable form only and will not reverse engineer, de-compile or disassemble any software so disclosed. Each party agrees to not modify nor create a derivative of any part of any software disclosed, nor remove any product identification, copyright or other notice.
- f.) Each party agrees to return all materials, including Software (as defined below) or documents which have been furnished as part of this Agreement, together with any copies thereof, promptly upon the request of the other party, or, if not requested earlier, promptly after the limited Purpose for which they were furnished has been accomplished or abandoned, except that each party may retain such Confidential Information as may be reasonably required by it for performance of any agreements between the parties.
- g.) Neither party shall disclose confidential information, except as required by law, court order, or to enforce or defend an action between the parties.
- h.) All Confidential Information is and shall remain the property of the disclosing party. Nothing in this Agreement, nor any disclosure of Confidential Information, shall grant any express or implied right to the receiving party to or under disclosing party patents, copyrights, trademarks or trade secret information.
- i.) Each party agrees that its obligations hereunder are necessary and reasonable to protect the business of the other party, and expressly agrees that monetary damages would be inadequate to compensate the other party for any breach of any covenant set forth herein. Accordingly, each party agrees and acknowledges that any such violation or threatened violation will cause irreparable injury to the other party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, the other party shall be entitled to obtain injunctive or equitable relief as may be deemed proper by a court of competent jurisdiction.
- j.) All confidentiality obligations hereunder shall survive change or termination of the parties' business relationship.
- k.) Net56 agrees and understands that in the course of its performance of its services hereunder, Net56 may be provided access to records of Company that constitute student records under the Illinois School Student Records Act or the Family and Educational Privacy Rights Act of 1974 ("Student Records"). Net56 agrees and understands that it shall have access to such records only as Company's agent, that its employees shall have no right to access or view records from which individual students may be identified except as necessary to perform its services hereunder, and that in no event shall Net56 cause such records to be published, transmitted or otherwise disclosed to any third party except upon Company's specific direction or as otherwise required by law.
- l.) Net56 understands that Company is a political subdivision of the State of Illinois and is subject to the Illinois Freedom of Information Act. Net56 agrees that any disclosure of confidential information pursuant to an appropriate Illinois Freedom of Information Act request will not violate the terms of this agreement.

Section 10

Documentation

- a.) Within 60 days following the date of the Agreement, Net56 shall provide or make electronically available to Company a complete set of documentation for the operation of all equipment and software provided hereunder (the "Documentation"). The Documentation shall be supplemented in the event of any substantial addition or modification to such equipment or software, and shall be reviewed for completeness on at least an annual basis.

Section 11

Substantial Default

- a.) For purposes of this Agreement, a Substantial Default shall be deemed to have occurred if: (i) Net56 initiates or threatens to initiate bankruptcy or insolvency proceedings or is otherwise declared or adjudged to be bankrupt or insolvent; (ii) Net56 ceases its business operations in substantial part; or (iii) Net56 ceases to provide all, or substantially all, of the services to Company under the Agreement to the satisfaction of industry standard practices. In the event of a Substantial Default by Net56, Company shall have, in addition to the rights otherwise set forth herein, the right to take immediate possession of all Company's equipment, software and documentation on Net56's premises or otherwise under Net56's control.

Section 12

NOTIFICATION

All notices which are required to be given hereunder shall be in writing, and delivered by United States registered or certified mail, return receipt requested, postage prepaid, addressed to the parties hereto at their respective addresses below.

Net56:

Legal Department
Net56, Inc.
1266 W. Northwest Highway
Suite 740
Palatine IL 60067

With copy to:

Bruce Koch
Net56, Inc.
1266 W. Northwest Highway
Suite 740
Palatine IL 60067

Company:

Mr. Donald Robinson
Assistant Superintendent
Zion Elementary School District 6
2200 Bethesda Blvd
Zion, Illinois 60099

With Copy to:

Hinshaw & Culbertson LLP
4343 Commerce Ct
Suite 415
Lisle, IL 60532
Attn: Anthony Ficarelli

Section 14

SIGNATURES

IN WITNESS WHEREOF, duly authorized representative of the parties hereto have executed this Master Services Agreement.

Net56: Net56, Incorporated

1266 West Northwest Highway, Suite 740

Palatine, Illinois 60067

Signature: 

Name: Bruce L. Koch

Title: President

Company:

Board of Education of Zion
Elementary School District 6

(Address)

2200 Bethesda Blvd

(City, State & Zip) Zion, Illinois 60099

Signature: 

Name: Ruth A. Davis

Title: Board Pres.

Exhibit A

To

Net56, Incorporated / Zion Elementary School District 6

Quotation Number Z1 dated 02/09/05

Hardware / Software Infrastructure

Implementation Location:

Net56, Incorporated
1266 W. Northwest Hwy
Suite 740
Palatine, IL 60067

Customer Owned Equipment

- A) 2 Xeon EM64T 3.6 Ghz/800MHz 1MB L2, 2x512MB
- B) 2 HS20-Xeon EM64T 3.6GHz/800MHz 1 MB L2, 2x512MB, O/Bay U320
- C) 2 IBM Fiber Channel Expansion Card
- D) 3 2Gbps FC 146.8 GB 10k Hot-Swap HDD
- E) 2 VMWare Virtual Infrastructure Node
- F) 2 8gig Memory upgrade

Implementation Location:

Zion Elementary School District 6
2200 Bethesda Blvd
Zion, IL 60099

Net56, Inc. Owned Equipment

- A) 8 Cisco 2600 series Router(s)
- B) 8 Site Servers
- C) 1 Cisco Firewall

Exhibit B

Net56 LEASE LINE SERVICE OFFERING (Form N56 LL)

None Supplied.